From: Zito, Kelly

To: PerezSullivan, Margot; Keener, Bill

Subject: RE: ACTION: EPA Recommends Against Federal Water Permit for Rosemon

Date: Wednesday, November 20, 2013 3:09:00 PM

Thanks, Margot.

We will be following up with Jane about this.

Kelly

From: PerezSullivan, Margot

Sent: Wednesday, November 20, 2013 2:44 PM

To: Zito, Kelly; Keener, Bill

Subject: Fw: ACTION: EPA Recommends Against Federal Water Permit for Rosemon

FYI

Margot Perez-Sullivan

U.S. Environmental Protection Agency

D: 415.947.4149 C: 415.412.1115 E:perezsullivan.margot@epa.gov

From: Brush, Jason

**Sent:** Wednesday, November 20, 2013 5:39:56 PM **To:** PerezSullivan, Margot; Marincola, JamesPaul

Cc: Goldmann, Elizabeth

Subject: RE: ACTION: EPA Recommends Against Federal Water Permit for Rosemon

**B**5

-JB

From: PerezSullivan, Margot

Sent: Wednesday, November 20, 2013 2:01 PM

To: Brush, Jason; Marincola, JamesPaul

Subject: Fw: ACTION: EPA Recommends Against Federal Water Permit for Rosemon

Importance: High

Hello, is the an EPA letter that was sent Nov 7. Please confirm. Thanks!

Margot Perez-Sullivan

U.S. Environmental Protection Agency

D: 415.947.4149 C: 415.412.1115 E:perezsullivan.margot@epa.gov

From: Zito, Kelly

Sent: Wednesday, November 20, 2013 4:42:42 PM

To: Kika, Stacy; Keener, Bill

Cc: PerezSullivan, Margot; Stollman, Scott

Subject: RE: ACTION: EPA Recommends Against Federal Water Permit for Rosemon

Hi Stacy – I'm not aware of receiving any recent calls on this. And this is not an EPA PR...

## Margot, could you look into this ..?

## Kelly

From: Kika, Stacy

Sent: Wednesday, November 20, 2013 1:37 PM

To: Zito, Kelly; Keener, Bill

Subject: ACTION: EPA Recommends Against Federal Water Permit for Rosemon

Hi,

Are you handling calls on this from the region?

Thanks, Stacy

Stacy Kika

U.S. Environmental Protection Agency

Office of Media Relations Email: <u>kika.stacy@epa.gov</u> Desk: 202.564.0906

EPA news releases on Twitter: http://twitter.com/epanews

From: Kim Chipman (BLOOMBERG/ NEWSROOM:) < kchipman@bloomberg.net >

Sent: Wednesday, November 20, 2013 4:12:56 PM

**To:** Milbourn, Cathy

Subject: EPA Recommends Against Federal Water Permit for Rosemon

Cathy, do you know if this email and info in it is legit? We are a bit skeptical because not a normal EPA press release. thanks, Kim

\_\_\_\_\_

Kim Chipman Bloomberg News Office: 1-202-624-1927 Mobile: 1-202-679-4344 Fax: 1-917-369-7147 <a href="mailto:kchipman@bloomberg.net">kchipman@bloomberg.net</a>

SSSR: EPA Recommends Against Federal Water Permit for Rosemont Mine 2013-11-20 20:24:08.22 GMT

SSSR: EPA Recommends Against Federal Water Permit for Rosemont Mine

Mine would cause "substantial and unacceptable impact" to southern Arizona's water supplies

PR Newswire

TUCSON, Ariz., Nov. 20, 2013

TUCSON, Ariz., Nov. 20, 2013 /PRNewswire/ -- The U.S. Environmental Protection

Agency has dealt a dramatic and potentially devastating blow to Augusta Resource Corporation's proposal to build the Rosemont mine, a massive open-pit copper mine in the Santa Rita Mountains just south of Tucson.

In a Nov. 7 letter to the U.S. Army Corps of Engineers, the EPA recommended that the proposed Rosemont copper mine should not receive a permit that would allow the company to dump potentially toxic mine wastes into area waterways.

After completing a comprehensive and detailed analysis, EPA concluded that Rosemont's proposals to mitigate the mine's severe and permanent damage to area water supplies are "scientifically flawed" and "grossly inadequate," and advised the Corps of Engineers that the project "should not be permitted as proposed."

The EPA's recommendation to deny Rosemont's permit application is a potentially devastating blow to the mining project because EPA has veto authority over the permit, which would be issued by the Corps of Engineers only if the proposed mine meets Clean Water Act standards. The permit is required before construction could begin on the mile-wide, half-mile deep open-pit mine.

EPA was highly critical of all three components of Rosemont's mitigation proposal, undermining the company's high-profile attempts to claim that the mine will comply with environmental standards. In particular, EPA said that it agreed with the Corps of Engineers that two of the three sites Rosemont was proposing to acquire (Sonoita Creek Ranch and Mulberry Canyon) "would not provide appropriate compensatory mitigation for impacts to waters from the Rosemont Mine project."

With respect to the third proposed Rosemont mitigation acquisition (water rights and land below Pantano Dam), the EPA indicated that it might have some mitigation value for a much smaller project ("e.g., flood control or highway project") but "is inadequate compensation for impacts proposed to be permitted at Rosemont Mine."

EPA's recommendation to deny the Clean Water Act permits comes at an inopportune time for Augusta Resource, Rosemont Copper's parent company. Its stock is hovering at a 52-week low and the company reported less than \$750,000 in cash reserves as of Sept. 30, according to regulatory filings released last week.

Augusta's cash crisis raises serious questions as to whether Augusta will have the financial capacity to secure technical expertise to address EPA's latest criticisms of the crucial Clean Water Act permit.

For more information go to: <a href="http://www.scenicsantaritas.org">http://www.scenicsantaritas.org</a>.

The full EPA letter and analysis can be downloaded at: <a href="https://www.scenicsantaritas.org/20131107\_EPA\_Letter.pdf">www.scenicsantaritas.org/20131107\_EPA\_Letter.pdf</a>.

Save the Scenic Santa Ritas is a non-profit organization working to protect the Santa Rita and Patagonia Mountains from environmental degradation caused by mining and mineral exploration activities. Our current activities are centered around the proposed Rosemont Copper mine in the Santa Rita Mountains.

SOURCE Save the Scenic Santa Ritas

Website: <a href="http://www.scenicsantaritas.org">http://www.scenicsantaritas.org</a>

Contact: David Steele, 520-321-1111, davidss@simginc.com

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